ST. MARY'S UNIVERSITY COLLEGE

FACULTY OF BUSINESS

DEPARTMENT OF MANAGEMENT

AN ASSESSMENT OF CONFLICT MANAGEMENT PRACTICE IN ETHIOPIAN SHIPPING LINES S.C

BY:

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AN ASSESSMENT OF CONFLICT MANAGEMENT PRACTICE IN ETHIOPIAN SHIPPING LINES S.C

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CHAPTER ONE
INTRODUCTION

1.1. Background of the Study

People do not always work smoothly together in an organization. Indeed, conflict is an inevitable element of interpersonal relationships in organizations, conflict can occur between individuals or among groups virtually all organizations operate in an environment that is characterized by constant change and need for constant adaptation. Trying to eliminate conflict requires tremendous amounts of energy. (Ricky W. Griffin, 2000: 582)

Conflict in management has attracted significant attention because managers devote much of their time to conflict management. Individuals and groups interact among each other in their day to day activities in the struggle for survival and achievement of their own goals, this interaction that exist among them is a source for the formation of disputes, violence. (Ivancevich, 1990: 483)

Conflict may manifest itself in a variety of ways, people may compete with one another, glare at one another, shout. The attitude organizations and people have towards conflict ranges from traditional view that considers it as bad, disruptive and unnatural and represents a form of deviant behavior, which should be controlled and changed to the perspective that assumes conflict as a positive force and necessary for effective performance. (Robbins, 989:369).

A state of disagreement between individuals and groups that arise in almost when there is human interaction originates in competition in which influence incompatible goals, antagonistic actions, unfair distribution of work. According to their bases conflict occurs in different aspects like physiological aspects, political aspects and social aspects that all of them affect educational, cultural, economical and social status of a country. (Creamer 1991:314)

This study deals with individuals and groups conflict and its handling in Ethiopian shipping lines by making special reference to the head office.

Ethiopian Shipping Lines S.C was founded in 1964 G.C and started operation in 1966 G.C with three newly built ships (two general cargos and one tanker).

It was established as a share company with a capital of birr 50,000 subsequently and to be raised to birr 3,750,000 Tavrus investment INC of Washington DC agreed to subscribe to 51% of the capital requirements designating two directors of the company. The Ethiopian government under wrote the remaining 46% of the capital required designating two directors of the company. Eventually, the American company and sold its share to the government of Ethiopia and the company was fully owned by the government of Ethiopia and the company was full owned by the government of Ethiopia since 1969/70 G.C.

The company is now reformed to a share company with a capital of birr 289 million and operates under the supervision of public enterprises supervising authority. Ethiopian shipping lines S.C is the only company involved in sea freight activity in the county.

It gives liner service in:
- o North continent and Mediterranean route
- o Far east route
- o Arabian Gulf route and India sub continent route.
  (ESL'SC. 2011:1).

1.2. Statement of the Problem

Ethiopian shipping lines S.C play an important role in sea freight activity in the country.

As an organization it has a group of individuals who have different interest and unique characteristics shaped by culture, social and biological background under the same goal and objectives of the organization. This situation with other conflicting factors put interaction among individuals and groups with in the organization in danger and consequently, it affects an organization over all personality, performance and productivity.

Effective conflict and conflict resolution practices contribute a lot for achieving organizational objectives. However, the management is not considering conflict resolution as one important role of management, and conflicts are not resolved in the right time to the best interest of the employees.

- o The management tend to go for temporary solutions to conflicts; rather than identifying the root causes of the conflict, assessing all possible alternative resolution.
- o In the organization high concern is given for the task while forgetting employees' issues. As a result, employees are not satisfied with the resolutions made for each conflict.
- o The conflict resolution practices are not designed to make use of conflict for creativity and innovation, rather it brought dissatisfaction of employees which led to turnover.

The major reason for all the above stated problem is that there are no clear understanding of conflict and conflict resolution method in the organization.

1.3. Research Questions

The research paper assumes that conflict between individuals and groups tend to result an adverse effect on Ethiopian shipping lines SC's achievement of goals. In this study the paper will answer the following basic questions.

1. What are the organizational factors that contributes to conflict between individuals and groups in ESL'SC?
2. How do managers cope with all the potential conflict?
3. What the attitude of employees towards the conflict in the organization.
4. What are the main types of conflict that exist between individuals / groups in Ethiopian Shipping Lines S.C?

1.4. Objectives of the Study

While undertaking this study the general objectives of this paper is to assess conflict and conflict management practices in ESL'SC.

More specifically, the aim of the study was:

o To investigate how managers cope with all conflicts in the organization.
o To identify the organizational factors that contributes to conflict.
o To identify the main types of conflict resolution techniques that has been used in ESL'SC.

1.5. Significance of the Study

The outcome of this study is expected to provide important suggestion to the Ethiopian Shipping Lines S.C to improve its conflict management practices, it is also expected to give some of the outcomes below.

o The study will reveal the major factors that cause conflict in ESL'SC.
o The study will create awareness on the part of conflict management and resolving it.
o The study will also serve as a spring board for other researchers who would like to study the same issue in a wider scale.

o The study provided the researcher a clear and appropriate information and knowledge about conflict and conflict management practice in ESL'SC.

1.6. Scope of the Study

Conflict is inevitable and occurs at all levels of any organization it was difficult to conduct the study in all organizations. The researcher thus, was forced to limit the study only in to Ethiopian Shipping Lines S.C. The study tried to incorporate conflict management practices Ethiopia shipping line's by making a special reference to the head office. The study was also confined to assess conflict practice in ESL'SC for the year 2009 and 2010 E.C only. Since, it was not possible to get reliable information for the year 2011 which is not ended yet.

1.7. Research Design and Methodology

1.7.1. Research Design

To carry out this paper the researcher used descriptive type of research because the student researcher wanted to assess the situation in the organization.

1.7.2. Population and Sampling Technique

In this study employees who work in head office were considered as a unit of study. Since the total number of employees excluding the managers in the head office is small in size, which is 170, the researcher used census method. Therefore the researcher was able to contact all employees in the head office.

1.7.3. Types of Data Collected

In this research both primary and secondary data was collected. The study was mostly base on primary source of information; secondary source was used in the literature review and background of the organization part.

1.7.4. Methods of Data Collection

The data was gathered through questionnaire from employees and interview with the management. The reason for using questionnaire is, in order to save time and to get easily accessible sample information.

1.7.5. Methods of Data Analysis

The method that the researcher used to analyze the data is frequency distribution and their relative percentage distribution. This help to show the response from the majority of the employee in relation to the degree of the problem.

1.8. Organization of the Paper

The study was organized in four chapters; the first chapter consists of the problem and its approach, which contains background, objectives, problem statement, significance, methodology, scope and organization of the paper. In addition it contains the background of the organization. Chapter two deals with review of related literature, chapter three will be about data presentation and analysis. The last chapter will contain conclusions and recommendation.

CHAPTER TWO
REVIEW OF RELATED LITERATURE

2.1. Introduction

In this chapter, the related works in conflict management from other researchers, books, journals are presented. The researcher believes the framework is helpful for the readers of this project work to comprehend and visualize the work of others. Then, the readers can understand what the actual practice of ESL-SC look like in conflict and conflict management practices. Specifically, the chapter looks to main types of conflict, causes of conflict, functional and dysfunctional conflict and approaches to conflict management.

2.2. Definition

Conflict is a disagreement among two or more individuals, groups, or organizations. This disagreement may be relatively superficial or very strong. It may be short-lived or exist for months or even years, and it may be work-related or personal (Ricky, 2000:582).

Conflict has also passed through main different stages. The first stage was the time where conflict was seen' as negative, destruction and something that must be avoided: the second is the human relations approach where conflict is accepted as normal, and inevitable. The third one is the inter-actionist approach that considers conflict not only as natural inevitable and important for productivity but also as the must be encouraged for quality decision-making (Robbins, 1989:369).

Conflict has different causes for its occurrences that ranges from the invisible psychological one to the overt and visible one. Conflicts are not inherently dysfunctional or function. The functionality or dysfunctional of conflict depends on the way it is resolved. Different writers classified conflict in different ways. Some as task process and relationship related.

Other authors classified conflict as intrapersonal, interpersonal, inter group, organizational and inter-organizational. The rest classified conflict based on its outcomes as functional or dysfunctional.

Conflict: is the process in which one party perceives that its interests are being opposed or negatively affected by another. Conflict is a perception, so it exists whenever someone believes or feels that another person or group might obstruct its efforts.

Chung and Meggison (1981:450) describe conflict as the struggle between incompatible or opposing needs, wishes, ideas, interests or people. Conflict, they say arises when individuals or groups encounter goals that both parties can not attain satisfactorily. So any tension experienced when one perceives another as thwarting or frustrating his or her needs, or is likely to bring conflict.

2.3. Nature of Conflict

Conflict and differences of opinions are natural and healthy (Cole, 2004:209). When conflict is task related, the parties view the conflict experience as something separate from them. Conflict is much more difficult to resolve when it rises to a socio emotional state of tension.

According to Rue and Byars (1992:402) conflict in organizations is often assumed to be unnatural and undesirable-to be avoided at all costs. Cost can lead to rigidity in the system in which it operates, distort reality, and debilitate the participants in the conflict situation. Therefore, they added, many organizations approach the management of conflict with the following assumptions:

- Conflict is avoidable.
- Conflict is the result of personality problems within the organization.
- Conflict produces in appropriate reactions by the persons involved.
- Conflict creates a polarization within the organization.

Conflict tends to increase under conditions of goal incompatibility, differentiation, task interdependence, scarce resources ambiguity etc... conflict is more common in a multicultural workforce because of greater differentiation and communication problems among employees.

However, conflict is perfectly natural and it should be expected to occur (Ibid). Management must know when to eliminate conflict and when to build on it. Today's managers must accept the existence of conflict and realize that it attempt to stop all conflict is a mistake. The consensus is that conflict itself is not undesirable: rather, it is a phenomenon that can have constructive and destructive effects.

Managers effectiveness in managing the conflict depends on how well they understand the underlying nature of conflicts which may be different from its expression and whether they can identify the crucial and tactical points for intervention. (Ibid)

According to Hil1er, (1996:324) conflict is not an objective, tangible phenomenon; rather, it exists in the minds of the people who are partly to it, only its manifestations, such as brooding, arguing or fighting are objectively real. To manage conflict, therefore one needs to empathize, that is, to understand the key actors involved see the situation. An important element of conflict management is persuasion.

2.4. Types of Conflict

As Dwivedi, (2001:301) indicated conflict can be classified in to two general categories:- Internalized or Intrapersonal and Organizational conflict.

Internalized Conflict: occurs within an individual, and can be further classified as frustration, role conflict and goal conflict. Since this study is concerned about the individuals and organizational kind of conflicts, it will be briefly classified below.

Organizational conflict occurs in organizational settings and embodies institutionalized and emergent conflict. Institutionalized conflict stems directly from the formal organizational and technological process whereas emergent conflict arises informally within the formal system as a consequence of individual and social goals.

Institutionalized Conflict: originates from division of work. Different departments have not only incompatible goals, but, even within a single department, competition for organizational rewards causes intense conflict among members. This type of conflict has been classified as individual versus individual. Individual versus organization, hierarchical, functional, and line versus staff.

    i. ***Individual Vs Individual Conflict:*** is common at work. In this type of conflict, every individual' attempts to occupy a scarce resource, including tangible and intangible goals such as status, prestige, power, money, etc... This conflict is based on 'win-lose' analysis. If one individual reaches his goal, another must lose it.

    ii. ***Individual Vs Organizational Conflict:*** This conflict occurs when the individual wants independence, long-term perspective etc... the organization wants dependence, short-term perspective, etc. The conflict stemming from this inherent incongruence causes frustration, a sense of failure and loss of self-esteem.

    iii. ***Hierarchical Conflict:*** is the outcome of hierarchy incompatibility. The most typical hierarchical conflict is obtained between labour and management groups.

    iv. ***Functional Conflict:*** arises from organizational framework mostly between different departments in an organization.

    v. ***Line-staff Conflict:*** arises from with the organizational structure. This is personality conflict between line personnel and staff personnel which aggravated due to divergent criteria for goal attainment in the organization.

While the staff is evaluated in terms of profession or indentation, the line has to be result oriented and is assessed accordingly.

Emergent Conflict: As Harbert (2001:204) points out, this type of conflict stems from personal and social reasons in organizational settings, embracing informal and on-formal behavior. It has been classified as individual versus informal group, formal-informal, status and political conflict.

i. *Individual Versus Informal Group Conflict:* arises when an individual seeks to satisfy his needs through his informal group which, in turn, demands utmost amount of conformity or undesirable behavioral pattern.

ii. *Formal- Informal Conflict:* is a common at work. Informal organizations have their own specific goals, norms and values, which may be quite opposed to those of the formal organization.

iii. *Status Conflict:* is caused largely because of technological changes and initiation of action. Seniority and age have ceased to act as the criteria for accomplishing higher status in this era of technological growth.

iv. *Political Conflict Arises:* when an individual or a group attempt to get a head, regardless of the means adopted to do so. Thus in contradiction to the prescribed system of merit or seniority, an individual may earn promotion by undermining the seniority or performance of another individual in an informal or non-formal way. This causes a political conflict in the organization. (Dwivedi, 2001:408)

2.4.1. Task-Related Versus Socia-emotional Conflict

Successful organizations encourage mild forms of conflict without having it escalate into an emotional battle between employees or corporate divisions. The key is to keep conflict task related and prevent it from escalating to a socio-emotional state. When conflict is task related, the parties view the conflict experience as something separate from them. It is an object "out there" that must be addressed. This conflict is potentially healthy and valuable because it makes people rethink their perspectives of reality.

As long as the conflict remains focused on the issue, new ideas may emerge and the conflict remains controlled.

Unfortunately, conflict often becomes personal. Rather than focusing on the issue, each party starts to see the other person as the problem. This socio-emotional dimension is apparent at Arthur and Erson and Andersen consulting because each side believed the other was deliberately trying to undermine its success, with socio emotional conflict, differences are viewed as personal attacks rather than attempts to resolve an issue. The discussion becomes emotionally charged, so that perceptional biases are introduced and information processing is impeded. (Mary Ann, 2000; 402)

Conflict can have functional as well as dysfunctional effects on persons, groups and organizations (Kast and et al, 1985:344). Moorhead and Griffin (2001:297) have also shown that conflict has both advantages and disadvantages stating at through conflict is often considered harmful, and thus some thing to avoid, it can also have some benefits. A total absence of conflict can lead to apathy and lethargy.

Robbins et al, (2004:203) started to explain the functional and dysfunctional faces of conflict by recognizing the evolution of its paradigms. These are the traditional view that believes conflict is harmful and must be avoided, the human relationists view that accepts conflict as normal, and the interactionist view does not propose that all conflict good-rather, some conflicts support the goals of the individual, group or organization in improve its performance, these are functional, constructive forms of its conflict.

2.4.2. Functional Conflict

Benneft and Hess (2004:380) demonstrated the importance of conflict stating that organizations with no conflict are dormant, static, unimaginative and unable to change and in danger of becoming obsolete. They further explained that conflict is constructive if it:

- Encourages better decision making
- Make life more interesting
- Increases motivation to deal with problems
- Stimulating

Mullins, (2005:905) included the following as positive out coming of conflict:
- Better ideas are produced.
- Cong-standing problems will be brought to the surface and resolved.
- Clarification of individual views.
- Stimulation of interests and creativity.
- A chance for people to test their capacities.

2.4.3.   Dysfunctional Conflict

When conflict disrupts, hinders job performance, and upset personal psychological functioning, it is dysfunctional conflict.

Mullins, (2005:905) put some of the negative outcomes of conflict including:
- A climate of mistrust and suspicion developed.
- Individuals and groups concentrated on their own narrow interests.
- An increase in employee turnover.
- Some of them will feel defeated and demanded.

2.5. Causes of Conflict in Organizations

Whatever be the character of conflict, it arises in the presence of certain conditions. Robbins classifies this conditions or sources of conflicts into three general categories: communication, structure and personal variables.

Communication: communication gaps hamper collaboration and foster misunderstandings. The communication source relates to those contradictory forces which stem from semantic problems, insufficient exchange of information, misunderstanding and noise. Semantic problems are caused on account of divergent training, selective perception and insufficient information about others.

MC Shalne, (2000:408) stated conflict often occurs due to the lack of opportunity, ability or motivation to communicate effectively. The potential for conflict intensifies in the face or either too little or too much communication. Perhaps, the amount of communication is functional to a particular extent, beyond which it may lay the seeds for conflict.

Structure: conflict tends to increase with size and specialization. The structure involving the size and amount of, specialization and standardization in the tasks, heterogeneity of individuals, leadership styles, reward system and level of dependence form the potential antecedent conditions to conflict.

Personal Variables: personal characteristics and value systems can be a source of conflict. Authoritarian and dogmatic personality leads to potential conflict. Likewise differences in value system form a source of conflict on account of involvement of prejudices and disagreements associated with them.

2.5.1. General Causes of Conflict

Unrealized Expectations: it has been assumed that unrealized expectations are a source of conflict. In our society, expectations among the deprived are increasing faster than visible improvements, giving rise to unfavorable attitudes and unrealized expectations. The emergence of the new legitimized values or rights and failures to meet the growing expectations cause unfavorable attitudes and frustration.

Change: conflict is caused by change resulting in tension, anxiety and resistance.

Research: although research is important for progress, it gives rise to conflict on account of changes introduced based on its findings. Obviously, changes in a business organization in the light of research give rise to intra-and interdepartmental conflict.

Modern Technology: technology has caused conflict in another way by increasing the per capital income and making available resources and time to people. When people have time and resources, they tend to press their right for participation.

Cultural Factors: conflict is also caused by differences in cultural factors, above (Macmillan: 2001:520)

Goal Incompatibility: A common source of conflict is goal incompatibility, as the name implies, goal incompability occurs when people or work units have goals that interfere with each other. Financial rewards for goal accomplishment further entrench the perceived conflict because employees are more motivated to pursue their own goals.

Differentiation: Conflicts are caused mainly by differentiation. Differentiation occurs when people hold divergent beliefs and attitudes due to their unique backgrounds, experiences or training.

Task Interdependence: The degree to which team members must share common inputs, interact in the processes of executing their work, or receive outcomes determined partly by their mutual performance. Conflict tends to increase with the level of task interdependence. The higher the level of task independence, the greater the risk of conflict, because there is a greater chance that each side will disrupt or interfere with the other side's goals.

Scarce Resources: Scarce resources generate conflict because scarcity motivates people to compete with others who also need those resources to achieve their objectives.

2.6. Ambiguity

Ambiguity breeds conflict because the uncertainty increases the risk that one party intends to interfere with the over party's goals. Ambiguity also encourages political tactics and, in some cases, employees enter a freefor-all battle to win decisions in their favor. When rules exist, on the other hand, everyone knows that to expect from each other and have agreed to abide by those rules. (Mary Ann, 2000: 408)

Mullins (2005:906) summarized the following as the major causes of conflict.

Differences* in *Perception: we all see things in different ways. We all have our own, unique picture or image of how we see the 'real' world difference in perception result in different people attaching different meanings to the same stimuli. As perceptions become a person's reality, vague judgments can be a potential major source of conflict.

Violation of Territory: people tend to become attached to their own 'territory' within work organizations; for example to their own work area, or king of clients to be dealt with or to their own noon, chair or parking space, jealousy may arise over other people's territory. For example, size of room, company car, avocation of a secretary or other perks, through access to information, or through membership groups.

Environmental Change: changes in. any organizations external environment such as shift in demand, increased competition, government intervention, new technologies and changing social values, can cause major areas of conflict.

2.7. Diversity as a Source of Conflict

Unfortunately, diversity in an organization can also become a major source of conflict. This conflict can arise for a variety or reasons one potential avenue for conflict is when an individual thinks that some one has been hired, promoted or fined because of her or his diversity status.

Another source of conflict stemming from diversity is through misunderstood, misinterpreted or inappropriate interactions between people of different groups.

Conflict can also arise as a result of other elements of diversity as a result when one organizations culture places a much higher premium on group loyalty and identity than an individual accomplishment. The employee will likely feel ashamed and embarrassed. Thus a wellintentioned action may backfire and result in unhappiness.

There are five conflict resolution techniques, but there is no one best technique to be followed rigidly in all situations. The way we employ conflict resolution techniques/styles depend on the degree of our concern for ourselves or for others, the degree of emphasis is given to task accomplishment (meeting our goals) or the degree of emphasis given to people (keeping good relationships with others).

Conflict Management: refers to interventions that alter the level and form of conflict in ways that maximize its benefits and minimize its dysfunctional consequences.

2.8. Approaches to Conflict Management

Conflict arises from varied sources and inevitable in organizational settings. This necessitates application of appropriate techniques to manage it effectively. Several approaches have been suggested, particularly in behavioral science and in general, in management literature, to resolve conflicts. Robbins and Webber (1989:308) presented the approaches to conflict management as stated below:

Dominance

The easiest technique to resolve a conflict is to eliminate the other partial together. This technique can be exercised by individuals, coalitions and majorities. Individual dominance involves application of fighting or physical strength in a way that the other party is damaged without causing injury to self.

Frequently, in such situations, the loser party withdraws from the conflict and attempts to compete with less formidable rivals.

Thus, a manager may use dominance technique to eliminate rival parties by dismissing them. However, this technique is useful only if the problem is people-oriented rather than organization-oriented. Moreover, coalitions of two or more individuals can be used to generate extra support and facilitate decisions. The coalition dominance resolves conflict by consolidating power around a central figure, enabling him to fore the opponent to give up the fight. (Robbins et al, (2004:205)

Avoidance

Conflict can also be reduced by avoiding it altogether. This involves efforts on the part of the conflicting parties either to withdraw or disguise the inconsistency. By withdrawing, one party enables the other to 'win', that is, becoming the sole occupant of the goal. Moreover, conflict can also be managed by redefining the goals through mutual withdrawal and establishing other non-over-lapping goals. Sometimes, subordinates withhold or suppress unpleasant information to avoid conflict with their superiors. This technique merely facilitates the avoidance of conflict rather than its resolution. (Robbins et al, (2004:206)

Smoothing

In this technique, differences between parties are disguised while similarities are highlighted. It enables the conflicting parties to realize that they are not very much a part from each other. This shared viewpoint enhances the possibility of working together towards a commonly held goal.

Compromise

This technique forms a commonly used method to benefit all the parties in a conflict in one way or the other. Either the 'goal object' is divided among the competing parties or one party provides something else to the other in exchange for the desired outcome.

This method may involve offers and counter-offers, and proves effective in arriving at a mutually satisfying solution, where the competing parties are of nearly equal strength. It is influenced heavily by the relative strength of the parties. This technique merely provides a temporally solution and conflict may recur with the emergence of suppressed demands.

Hierarchical Decision-Making

In addition to compromise, appeal for hierarchical decision-making can be made by the parties in conflict. Sometimes, an appeal to change, such as tossing a coin-can be made to resolve conflict by compelling the loser party to withdraw from the situation. An appeal to positional authority or authoritative command can also be used to resolve conflict. Thus, a common superior can be requested to use his authority to resolve conflict through a proper decision.

Problem-Solving

This technique seeks to resolve conflicts through face-to-face confrontation and embodies measures to accomplish the common interests of the parties in conflict. The conflicting parties are required to come together to resolve the problem instead of accommodating each other's divergent viewpoints.

Bargaining

Unlike in dominance, here both parties recognize their mutual dependence and work together satisfactorily to resolve the conflict rather than eliminating the other side. On the other hand Marry Ann (2004:208) explained approaches to conflict management in a way by:

Emphasizing Super Ordinate Goals

One way to minimize conflict is by focusing everyone on super-ordinate goals. Super ordinate goals are common objectives held by conflicting parties that are more important than the departmental or individual goals in which the conflict is based. Focusing attention on super-ordinate goals is particularly useful where conflict is caused by goal incompatibility and differentiation.

Reducing Differentiation

Super-ordinate goals offset differentiation by establishing a common frame of reference, but they don't actually remove any of the underlying diversity that people bring to the relationship. To reduce differentiation, one must alter or remove the conditions that create these differences in the first place. It could be for example by having everyone to wear the same work clothes.

Improving Communication and Understanding

Communication is critical to effective conflict management. By improving the opportunity, ability, and motivation to share information, the parties develop less extreme perceptions of each other than if they rely on stereotypes and emotions. Direct communication provides a better understanding of the other party's work environment and resource limitations. It's also important to introduce dialogue meetings, in which the disputing parties discuss their differences.

Reducing Task Interdependence

Another way to minimize dysfunctional conflict is to reduce the level of interdependence between the parties.

Increasing Resources

An obvious way to reduce conflict due to resource scarcity is to increase the amount of resources available. Corporate decision makes might quickly dismiss this solution because of the costs involved. However, they need to carefully compare these costs with the costs of dysfunctional conflict arising out of resource scarcity.

2.9. Clarifying Rules and Procedures

Some conflicts arise from ambiguous decision rules regarding the allocation of scarce resources. Consequently, these conflicts can be minimized by establishing rules and procedures. "I think the key to avoiding conflict is to be up front and tell people what you expect", advises Hubert Hawkins. One way to clarify rules is to establish a schedule for sharing scarce resources.

Managerial Implications

According to UMA Sekaran, (1989:215)

There are several indicators s to h6w managers should handle conflict and get involved in negotiation, should it become necessary. Below a few suggestions are enumerated:

1. Be aware of destructive conflicts and take appropriate action to minimize, if not all together prevent their ill effects.
2. Since workflow interdependencies, role ambiguity, resource scarcity and power and value differences are instrumental in creating conflicts, be aware of the potential problems and incorporate the necessary structures to prevent them.
3. Super-ordinate goals are a good strategy to overcome conflict in some instances. Identify such situations and use it as a means to resolve conflicts wherever necessary.
4. Appealing to common goals and value systems also reduces conflict.
5. Inter group conflict could be dealt with by taking an integrative problem solving approach, making organization design changes and through mediation.
6. Staff-line conflict could be minimized by clearly defining the functions of each, letting staff know that their role is advisory, and the line personnel realize that it is useful and important to heed good suggestions.
7. Be ware of surrounding yourself with "yes men".
8. Play the devil's advocate when things are stagnant.
9. Take a situational approach to managing conflict use competition for quick decision making and immediate action, collaboration for integrative long term solutions, accommodation for establishing reasonableness, compromise for temporary settlement of issues, or when collaboration or competing do not yield the expected results, and avoidance when the issues are trivial.
10. Display sensitivity in cross cultural negotiations and be aware of differences in the orientations of the contending parties.
11. To improve negotiating effectiveness (i) try to understand and predict the strategy of the opposing party, (ii) crate a climate of trust, (iii) start with a positive approach and yield to minor differences initially; (iv) address issues and not the individual and (v) be a good listener.

CHAPTER THREE

DATA ANALYSIS AND PRESENTATION

This chapter of the study is mainly concerned with presentation analysis and interpretation of data collected through questionnaire and interview. The majority of data were gathered from the employees and the interviews were conducted with the manager. The questionnaires were distributed to all employees in the organization. The total number of questionnaire distributed was 170 which is the total number of employees; out of 170 questionnaires distributed to employees 126(73.5%) questionnaires were properly completed and returned. Accordingly, the obtained facts are presented, analyzed and interpreted below:

3.1. Respondents Biography

Table 1: General Characteristics of Respondents

S. No.	Question	Respondents	
		Frequency	**Percentage (%)**
1	Sex		
	▪ Male	68	54.4
	▪ Female	58	45.6
	Total	**126**	**100**
2	Age		
	▪ 18-29	74	59.2
	▪ 30-39	37	29.6
	▪ 40-49	15	11.2
	▪ Above 49	-	-
	Total	**126**	**100**
3	Educational qualification		
	▪ 10th or 12 complete	-	-
	▪ Certificate	-	-
	▪ Diploma	18	14.4
	▪ B.A degree	89	71.2
	▪ MA	17	13.6
	▪ Above M.A	2	1.6
	Total	**126**	**100**

Source: Primary Data, 2011

Question 1 of table 1, reveals that about 58(45.6%) of the sample populations are females while the rest of them are males. Regarding question 2 of the same table, 37(29.6), 74(59.2%) of the respondents were in age group between 30-39, 18-29 and 40-49 respectively. As far as educational qualifications of respondents are concerned, as shown in question 3 of table 1, 18(14.4%) are diploma graduates, 89(71.2%); 17(13.6%) of the respondents are degree and MA holders respectively, the rest 2(1.6%) ones are above M.A. holders. So the majority of the respondents are male. And age group between 18-29 and most of them are B.A degree holders.

From this we can infer that majority of all respondents are B.A holders. This enables the corporation to undertake its work simply by familiarizing them with the advanced technology.

Having the majority of the employees being male have allowed the women to get respect and encouragement in the organization, and most of the employees are between 18-29 which are in a very alert, and with a good potential age group, which allows the organization to have a very good workforce.

3.2. General Information

3.2.1. Trainings on Conflict Management

There are many ways through which employees and management are aware about conflict management; from these training is the one, regarding these, respondents were asked; and, their responses are depicted in the table below:

Table 2: Training on Conflict Management

S. No.	Question	Respondents	
		Number	In %
1	Have you ever taken any formal training on conflict management?		
	▪ Yes	57	66
	▪ No	69	34
	Total	**126**	**100**

Source: Primary Data, 2011

As indicated in table 2, 34.4% of employee respondents confirmed that they have not taken trainings entitled conflict management rather they took professional trainings. 66.6% of respondents took such trainings. This shows that special concern has not been given to conflict management in the organization.

3.2.2. Challenges of Conflict Handling Techniques

As briefly discussed in the literature review part, there are many techniques that are used to handle conflicts effectively. To asses the effectiveness of conflicts handling in the corporation, the respondents were asked to indicate their views regarding the challenges of conflict handling techniques and their responses are tabulated as shown below.

Table 3: Challenges of Conflicts Handling Techniques

S. No.	Question	Respondents	
		Number	In %
1	Do you think conflict resolution has been hard to handle?		
	▪ Yes	61	48
	▪ No	65	52
	Total	**126**	**100**

Source: Primary Data, 2011

Table 3 indicates majority of the employees, which are 52%, said that conflict resolution has been easy or simple task to handle and 48.8% indicated that it was hard to handle conflicts in the organization. Therefore it appears that even if handling conflicts in the organization wasn't hard for the majority. There is still large number of employee struggling with conflict handling. Therefore it appears that due emphasis is not given to the conflict management practices in the organization.

Table 4:   **The Employee's View towards the Effects of Conflicts in the Organizations Success**

S. No.	Question	Respondents	
		Number	In %
1	Do you think the organization would be successful if there was not any kind of conflicts?		
	▪ Yes	54	44
	▪ No	72	56
	Total	**126**	**100**

Source: Primary Data, 2011

Table 4 indicates that 72 the majority of the respondents that is 56% do not think the organization would be successful if there was not any kind of conflicts. This shows that the majority of the employees in the organization have noticed the functionality of conflicts. 44% of the respondents think the organization would be successful if there was not any kind of conflicts, this shows that 44% of the employees in the organization have a negative view towards conflicts for the organization's success.

Potential Sources of Conflict

Table 5: **Respondents level of Agreement on the Potential Source of Conflict**

Potential Sources of Conflict	SA		A		N		D		SD		Total	
	≠	%	≠	%	≠	%	≠	%	≠	%	≠	%
Personal character	32	25.6	62	49	28	22.4	4	3	-	-	126	100
Competition for limited resource	34	27.2	32	25.6	29	23.2	29	23.2	2	1.6	126	100
Poor communication	55	44	34	27.2	27	21.6	10	8	-	-	126	100
Collective or group decision making	11	8.8	52	41.6	54	29.6	7	5.6	-	-	126	100
Hierarchical structure	13	8.8	69	55.2	34	27.2	10	8	-	-	126	100
Perceptional differences on values, facts, norms and beliefs	24	19.2	29	23.2	61	48.8	12	9.6	-	-	126	100
Interdependent task completion of one task	18	14.4	71	56.8	24	19.2	11	8.8	2	1.6	126	100

Source: Primary Data, 2011

Note 1:   SA = Strongly Agree, A = Agree, N = Neutral,

D = Disagree, SD = Strongly Disagree

The primary data collected have shown that the causes of conflict in Ethiopian Shipping Lines S.C are diverse. Among the potential sources of conflicts mentioned in the literature review (chapter two), respondents described nearly all of them as sources of conflicts in Ethiopian Shipping Lines S.C.

94(75.2%) of the questionnaire respondents have strongly agreed and agreed that personal character as potential source of conflict in Ethiopian Shipping Lines S.C 71.2% of respondents indicated that poor communication as source of conflict in Ethiopian Shipping Lines S.C. interdependent tasks are also indicated as source of conflict by 71.2% of the respondents.

Also 82 or (64%) of respondents strongly agree and agree on hierarchical structure as a source of conflict, in the organization, only 53 respondents indicated that perceptional differences on values, facts, norms as a source of conflict in Ethiopian Shipping Lines. This shows that personal character, poor communication and task interdependent are the major potential sources of conflict in Ethiopian Shipping Lines.

Table 6:   Conflicts with the Immediate Boss

S. No.	Question	Respondents	
		Number	In %
1	Have you ever been in conflict with your immediate boss?		
	▪ Yes	55	44
	▪ No	71	56
	Total	**126**	**100**

Source: Primary Data, 2011

Table 6, shows that 71(56%) of respondent haven't been in conflict with-their immediate boss that means the majority of respondents are working with out conflict with their immediate both. In fact 54(44%) of respondents indicated they have been in conflict with their immediate boss.

Table 7:   Respondents   Level   of   Satisfaction   with   Conflict Resolution

S. No.	Question	Respondents	
		Number	In %
1	Were you satisfied with the conflict resolution?		
	▪ Yes	34	61.8
	▪ No	21	39
	Total	**55**	**100**

Source: Primary Data, 2011

As shown in the table 7, the respondents who have been in conflict with their immediate boss are 55 in number 34(61%) were satisfied with the conflict resolution while 21(39%) were not satisfied with the conflict resolution technique used. This shows that the conflict resolution in ESL'SC is not effective.

3.2.3. Types of Conflict in Ethiopian Shipping Lines S.C

Table 8: **Respondents Rating on the Type of Conflict in Ethiopian Shipping Lines S.C**

Relevant Type of Conflict in ESL'SC	SA		A		N		D		SD		Total	
	≠	%	≠	%	≠	%	≠	%	≠	%	≠	%
Inter-departmental	16	12.8	62	49.6	24	19.2	22	17.6	2	1.6	126	100
Superior-Subordinate	-	-	35	28	58	46.4	33	26.4		-	126	100
Task Conflict	5	4	67	24.8	32	25.6	22	17.6		-	126	100
Conflict on the content of work	4	3.2	51	40.8	45	18	26	20.8		-	126	100
Intra-personal (within the person	8	6.4	28	22.4	67	52.8	21	16.8	2	1.6	126	100
Inter-personal (between persons)	6	4.8	32	25.6	55	45.6	31	22.8	2	1.6	126	100
Intra-group	6	4.8	29	23.2	66	52	25	20		-	126	100
Intra-organizational (within organization)	10	8	18	14	75	60	19	15	4	3	126	100

Source: Primary Data, 2011

Note 1: S.A = Strongly agree, A= Agree, N = Neutral, D = Disagree
SD= Strongly Disagree

As it is shown in the table 8 the most prevalent type of conflicts which were felt by the respondents are inter-departmental, which is 78(62.4%) of respondents. Conflict on the content of work is the next most frequently indicated type of conflict, which are 67 (52.8%). Inter-personal or between persons is another

type of conflict in the Ethiopian Shipping Lines SC it was indicated by 30.4% of respondents, intra-group. Intra-personal, task conflicts wee indicated with the same frequency which is 28% of the respondent. Only 22.4% of the respondents indicated intra-organizational conflict as the most frequent type of conflict.

This indicates inter-departmental, conflict on the content of work, inter-personal types of conflict are the major types of conflict in Ethiopian Shipping Lines S.C.

Table 9: Respondents Attitude towards Conflict

S. No.	Question	Respondents	
		Number	**In %**
1	What do you think about conflict resolution?		
	▪ Advantageous	21	16.8
	▪ Disadvantageous	20	16
	▪ Both	85	67.2
	Total	**126**	**100**

Source: Primary Data, 2011

Employee's opinion towards conflict has a major effect on conflict handlings. So the respondents were asked about their opinion towards conflict and the above table indicates that the majority of the respondents 85(67.2%) have an opinion of conflict that it is both advantageous and disadvantageous, which is a good opinion as was indicated in the literature review, the rest 21(16.8%) and 20(16%) thinks that conflict is advantageous and disadvantageous respectively.

Table 10:   Respondents Opinion towards the Outcome of Conflict

S. No.	Question	Respondents	
		Number	**In %**
1	Which one do you think is potential negative outcome of conflict?		
	▪ The distance between employees increase	2	1.6
	▪ Resistance developed rather than team work.	50	40
	▪ An increase in an employee turnover.	33	26.4
	▪ The climate of mistrust and suspicion developed	18	14.4
	Total	**103**	**100**

Source: Primary Data, 2011

Those who indicated conflict as disadvantageous were asked to choose the potential negative outcome of conflict they think. As shown in the table 10, 50(40%) of the respondents indicated the avoidance of teamwork and resistance development between workers as the major negative outcome of conflict. An increase in an employee turnover is also the second major outcome of conflict indicated by the employees of the Ethiopian Shipping Lines which is 33 in number, 18 respondents indicated the climate of mistrust and suspicions develop as another negative outcome of conflict. Only 2 respondents indicated the increase of distance between employees as the negative outcome of conflict.

Table 11: Effectiveness of Conflict Resolution Techniques in ESL'SC

S. No.	Question	Respondents	
		Number	**In %**
1	Are conflict resolution techniques effective in ESL'SC?		
	▪ Yes	51	40
	▪ No	75	60
	Total	**126**	**100**

Source: Primary Data, 2011

Table 11, indicates majority of the employees which is 60% said that the corporation does not take appropriate measures to resolve conflicts. So the effectiveness is less and only 51 respondents pointed the conflict resolution techniques as effective.

Therefore it appears that the emphasis is not given to the conflict management practices in the corporation: most measures taken are not satisfactory and effective.

Table 12: Issues Related to the Mechanisms of Techniques used to Resolve Conflict Frequently

S. No.	Question	Respondents	
		Number	In %
1	Techniques which have been used to resolve conflict frequently?		
	▪ Avoiding	10	8
	▪ Smoothing	54	43.2
	▪ Forcing	28	22.4
	▪ Problem solving	34	26.4
	Total	**126**	**100**

Source: Primary Data, 2011

If there are conflicts, there are also techniques to resolve them. So the student researcher attempted to know the techniques used by ESL'SC. From the table 12 it is possible to observe that, problem solving type of handling techniques are used as 34(26.4%) of respondents indicated. Smoothing is the other types of techniques used in the ESL'SC as 54(43.2%) of respondents indicated, forcing was pointed by 28(22.4%) of respondents. Avoiding hasn't been the most important techniques in the organization as only 10 respondents indicated it. From the data one can infer that quite large number of respondents believe in problem solving to handle conflicts.

Table 13: Managers Contribution in Minimizing the Occurrence of Conflict

S. No.	Question	Respondents	
		Number	In %
1	In what way does the management contribute in minimizing the occurrence of conflict between the workers?		
	▪ By giving appropriate information	32	24.8
	▪ By giving on time information	17	13
	▪ By making an open discussion and participating the workers.	59	47
	▪ By giving trainings.	18	14.4
	Total	**126**	**100**

Source: Primary Data, 2011

In any organization the management should play a great roll in minimizing the occurrence of conflicts. The management is the one who should make a peaceful working environment by using different ways, so the respondents were asked in what way the management has contributed in minimizing the occurrence of conflict between the workers. So as shown in the table 13, 59(42.2%) of respondents indicated that the management contributed by making an open discussion and participating the workers, which is very good but as shown in the table the rest supported by giving appropriate information, giving on time information and giving trainings 32(24.8%), 17(13.6%) and 18(14.4%) respondents respectively.

Table 14: Issues Related to Conflicts Handling

S. No.	Question	Respondents	
		Number	**In %**
1	Most of the time who were responsible in handling the conflicts in ESLS'C?		
	▪ The management	80	64
	▪ The committee being organized	15	12
	▪ The labour union	12	9.6
	▪ By the conflicting parties	19	15.2
	Total	**126**	**100**

Source: Primary Data, 2011

Depending on the types of conflict, every employee, unions, committee or parties in the organization should take part in conflicts handling. So, the respondents were asked who were responsible in handling conflicts in ESLS'C. As shown in the table 80(64%) of respondents indicated the management as responsible in handling the conflicts. The committee organized, the labour union and the conflicting parties were supported by 15(12%), 12(9.6) and 19(15.2%) respondents respectively. This shows that the management is being more responsible in handling conflicts in ESLS'C.

Table 15: Conflict Resolution Consideration in ESLS'C

S. No.	Question	Respondents	
		Number	**In %**
1	How do you think conflict resolution is considered in ESL'SC?		
	▪ By no means conflict resolution is seen as a role of management	17	13.6
	▪ Accepted as vital role of management on paper but not exercised/	27	22
	▪ Accepted as vital role of management and exercised effectively.	24	18.2
	▪ Accepted as vital role of management and exercised ineffectively.	58	46.4
	Total	**126**	**100**

Source: Primary Data 2111

As discussed in the literature review, conflict resolution is one of the major roles of management and should be exercised properly or effectively, in order to asses how conflict resolution is considered in ESL'S. As shown in the table 58(46.4%) of the respondents indicated that conflict resolution is accepted as vital role of management but exercised ineffectively. 27(22%) of respondents said that conflict resolution is accepted as vital role of management on paper and not exercised. Only 13.6% of respondents think that conflict resolution is by no means seen as a role of management this shows that conflict resolution is accepted as vital role of management but exercised ineffectively or not exercised at all in ESL'SC. So there is less understanding and awareness about the contribution of conflict resolution to the organization and how it should be experienced.

Table 16: The General Conflict Management Practice in ESL'SC

S. No.	Question	Respondents	
		Number	In %
1	How do you express the general conflict practice in ESL'SC?		
	▪ It is something that needs reform in order to contribute for the corporation goal achievement.	51	40.8
	▪ The corporation must continue in the existing mode of conflict practices.	16	12.8
	▪ Before taking any transformation measure, the conflict management practice must be studied throughout.	18	14.4
	▪ It is difficult to express.	41	32
	Total	**126**	**100**

Source: Primary Data 2111

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The degree of emphasis given to conflict and conflict management is insignificant as compared to other activities in Ethiopian Shipping Lines S.C. As indicated by 51(40.8%) of the respondents, the conflict management practice in ESL'SC is something that needs reform in order to contribute for the corporations goal achievement, this shows the current conflict management practice in ESL'SC is not satisfactory. 41(32.8%) of respondents pointed that it is difficult to express the whole situation towards conflict. This shows that there is no awareness towards conflict management practice in ESL'SC. 18(14.4%) of the respondents indicated, before taking any transformational measure, the conflict management practice must be studied thoroughly, and only 16(12.8%) respondents indicated that the corporation must continue in the existing mode of conflict practices.

Table 17: Conflict Impact on the Organizations Achievement

S. No.	Question	Respondents	
		Number	In %
1	If conflict resolution is not accepted as vital role of management how will it affect the organization's development?		
	▪ It will not have any negative consequence on ESLSC achievement.	26	20.8
	▪ It will affect the whole employee relation which leads to less performance and less development.	78	62.4
	▪ It is difficult to explain its impact on organizations achievement.	8	6.4
	▪ None	14	11.2
	Total	**126**	**100**

Source: Primary Data 2111

In all organizations there are consequences of conflict which are very destructive and have impact on the organizations goal achievement. So conflict management should be accepted as a role of management. Respondents were asked if conflict resolution was not accepted as vital role of management and its impact on the organizations development. The majority of respondents 78(62.4%) indicated that it will affect the whole employee relation which leads to less performance and less development. 26(20.8%) of respondents indicated that it will not have any negative consequence on ESLSC achievements, which shows that there is less awareness to conflict resolution in the ESLS'C, that means they didn't understand the importance of conflict resolution in the organizations achievement.

Table 18: The Outcome of Conflict

S. No.	Question	Respondents	
		Number	In %
1	Which one is real in ESL'SC as an outcome of conflict?		
	▪ Conflict encourages people	15	12
	▪ Conflict encourages better decision making	34	27.2
	▪ Increases employees turnover	55	44
	▪ Conflict is an educational experience.	22	17.6
	Total	**126**	**100**

Source: Primary Data 2111

The potential outcomes (impacts) of conflict on organization depend on the type of conflict and the way the organization resolves the conflict. According to Robbins et al (2004:203) relationship conflicts are almost always dysfunctional since the friction and interpersonal hostilities inherent in relationship conflicts increase personality clashes and decreases mutual understanding, which hinders the completion of organizational task. On the other hand, low levels of process conflict and low to moderate levels of task conflicts are functional. Dominant numbers of the respondents 55(44%) believe that conflict increases

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employees turnover in ESL'SC, 34(27.2%) of respondents believe that it encourages better decision making and 22(17.6%) and 15(12%) of respondents believe conflict is an educational experience and it encourages people respectively. This shows that conflict in ESL'SC has brought much employees turnover and there is ineffective conflict resolution in ESL'SC.

Interview Result Analysis

The Existence of Conflict in ESL'SC

The interviews conducted with management in human resource department showed the existence of conflict among different groups. Some of the inter-group conflicts mentioned were conflict between the management and labour union, conflicts between the management and labour union, conflicts between the management and different comments and among functional units.

Conflict Resolution Techniques used in ESL'SC

Human resource department head briefly gave detail explanation about conflict resolution techniques as follows:

Discussion is carried out to solve those conflicts which are found among the employee association and the management. These two parties discuss each other about their situation openly. If it doesn't work, a third body the third body interferes among the management and the employee association and tires to resolve the conflict. It also tries to create peaceful condition as much as possible.

The techniques that the organization has been using to resolve conflicts have its own good and bad side. The advantage of the technique is to develop open discussion and contributed to the organizations development. Its difficulty or drawback is that it is time taking, and going for temporary solution to problem rather than identifying the root cause.

The existing technique in ESL'SC hasn't been much effective because of some reasons.

Some of the reasons were indicated as:

- o Communication set backs during negotiating
- o People argue back and forth
- o Parties may not talk to each other
- o People not being an active listener
- o People not using appropriate language

The other problem is that there is lack of open-mindedness and the people being very emotional, judgmental while evaluating the issues.

CHAPTER FOUR

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes and concludes the finding of the research and forward possible recommendations.

4.1. Summary

The main focal area of this research paper is to assess the effectiveness of conflict and conflict management practices in Ethiopian Shipping Lines S.C. Specifically, the source of conflict, the types of conflict, the attitude of employees towards conflict and the degree of importance given to conflict resolution as a role of management. To answer the research questions data was collected using questionnaire and interview. For subsequent analysis, the review of related literature was organized from various books, journals and internet.

The assessment of conflict and conflict management practices in ESL'SC indicated the following major findings.

- 55(44%) of the questionnaire respondents and all the key informants reflected the existence of conflict in ESL'SC. However, 56% denied its existence.

The types of conflicts in ESL'SC are many. Some of the prevalent types include:-

- o Inter – Department Conflict
- o Task Conflicts
- o Inter-personal conflict
- 55% of respondents were in conflict with their immediate boss in ESL'SC. Among them 69% were dissatisfied with the conflict resolution.
- Dissatisfied respondents either resisted the decision or tried to leave their jobs or accepted the decision with dislike.
- 69% of the respondents remarked that they haven't taken any formal training on conflict management.

- The potential outcome of conflict is dominantly the negative impact of conflict. As the findings indicated an increase in an employee turnover and decrease in team are some of the potential negative outcome of conflict.

- Among the major conflict resolution techniques, smoothing is used dominantly in the organization. It has been a temporary solution, and conflicts kept on resurface again in the course of time.

- The findings have shown that the causes of conflict in ESL'SC are numerous. The questionnaire respondents indicated: personal characters poor communication interdependent task, and hierarchical structure as a source.

- 67% of employee's indication towards conflict is both as advantageous and disadvantages, which relates to negatively to the traditional thought.

- The management was the one responsible in handling the conflict in ESL'SC most of the time but the social affairs acts as a third party in handling conflicts.

- 46.4% stated that conflict resolution is accepted as vital role of management but exercised ineffectively, 22% believed that conflict is accepted as vital role of management on paper but not exercised. 18.2% stated conflict resolution is accepted as vital role of management and exercised effectively, the management key informants explained the degree of emphasis given to conflict and conflict resolution is insignificant as compared to other activities due to lack of awareness and giving no concern.

- 60% of respondents indicated the whole conflict resolution practice in Ethiopian Shipping Lines as ineffective. But the management key informants believed that the existing conflict resolutions in ESL'SC are effective to some extent. Though they mentioned some drawbacks as giving low concern to conflict resolution and going for temporary solutions to problem rather than identifying the root causes of conflict.

4.2. Conclusions

To research findings from the questionnaire and interviews showed that:

- Trainings are not prepared to broaden the understandings of employees on concepts of conflict and its management. Therefore, it is possible to conclude that they are not familiar with the modern view of conflict management issues.

- The sources of conflicts are so many in ESL'SC which have been hard to identify why these many causes of conflict exist in the organization.

- Because of poor communication system, communication breakdowns occur. These communication breakdowns tend to lead to conflicts as respondents of ESL'SC indicated.

- Findings show that, ESL'SC management has better understanding on concepts of conflict management. Therefore conflicts are seen in both directions, i.e., as functional and dysfunctional.

- Regardless of their participations in the conflict resolution processes, the dominant numbers of respondents were dissatisfied. Due to dissatisfaction with the resolution, most of them resisted the resolution while few tried to leave their jobs; but the rest accepted the decisions regardless of their resentment.

- The conflict resolution practices in ESL'SC are ineffective and conflicts are not resolved to the best interest of the offices and employees.

- The analysis made in this chapter clearly shows that the conflict management practices in ESL'SC are something that needs due attention for its success.

4.3. Recommendations

These recommendations are made based on the conclusions, drawn and the findings of the study.

- ESL'SC has the aim and objectives to be one of the most competitive Shipping Lines in Africa. In order to attain this objective, ESL'SC top management need to give due attention for conflict management as part of its effort to achieve its vision.

- ESL'SC must accept the usually existence of conflict and they must work to create understanding about its advantages and the nature of conflicts by giving training. So that the advantage would be for both of the employees satisfaction and for the organizations development.

- Since workflow interdependencies, role ambiguity, and power and value differences are instrumental in creating more of dysfunctional conflicts, the management need to proactively respond to conflicts resulting from such factors.

- The sources of conflict must be studied so that this organization can resolve conflicts more easily.

- Instead of using smoothing techniques which is dominantly temporary, the organization must employ other conflict resolution techniques depending on the situation the technique works best.

- Not only ESL'SC has to accept conflict resolution as vital role of management but must exercise it effectively. So that it can use conflict for change, creativity, innovation and also resolve it as early as possible.

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Appendices

Appendix A:

ST. MARY'S UNIVERSITY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT

Questionnaire to be filled by Ethiopian Shipping Lines S.C Employees

Part I: General Remark

The purpose of this survey is to obtain reliable information about conflict and conflict management practices in ESL.SC.

All information provided will be kept confidential and only used for academic purpose. There is no write or wrong answer and just show the level of opinion to each item.

Thank you for your willingness!!

Direction: Put a tick mark (✓) in the box (☐) for the answer you choose.

Part II: Background Information

1. Respondents personal information

    1.1. Sex   Male ☐   Female ☐

    1.2. Age   18-29 ☐   30-39 ☐   40-49 ☐   Above 49 ☐

    1.3. Service year in the organization

Below 1 year	☐	1-5 years	☐	6-10 years	☐
11-15 years	☐	16-20 years	☐	Above 20	☐

    1.4. Position in the organization _____

    1.5. Level of education

Below certificate	☐	Certificate	☐	Diploma	☐
B.A Degree	☐	MA Degree	☐	Above MA	☐

General Information

1. Have you taken any courses or trainings on the job about conflict management practice?

    Yes ☐   No ☐

2. Do you think conflict resolution has been hard to handle?

   Yes ☐   No ☐

3. If your answer is yes for question no (3), what is your reason? ＿＿＿

   _____

   _____

4. Do you think the organization would be successful if there were not any kinds of conflicts?

   Yes ☐   No ☐

5. The following table provides the potential source of conflict. Rate them on the bases of their frequency of occurrence in the organization.

No	Potential sources of conflict in ESL'SC	Strongly agree	Agree	Neutral	Disagree	Strong disagree
A)	Personal character					
B)	Competition for limited resources					
C)	Poor communication					
D)	Collective or group decision making					
E)	Hierarchical structure					
F)	Perceptional differences on values, facts, norms and beliefs					
G)	Interdependent task - completion of one task depends on completion of another task					

6. Have you ever been in conflict with your immediate boss?

   Yes ☐   No ☐

7. If your response is yes to question no 7, were you satisfied with the conflict resolution?

   Yes ☐   No ☐

8. Which type of conflicts below are the most prevalent in ESL'SC Rate them on the basis of their frequency of occurrence in ESL'SC.

No	Types of Conflict in ESL'SC	Strongly agree	Agree	Natural	Disagree	Strongly disagree
8.1	Inter-departmental					
8.2	Superior-subordinate					
8.3	Task conflict					
8.4	Conflict on the content of the work					
8.5	Intra-personal (within the person)					
8.6	Inter-personal (between two persons)					
8.7	Intra-group (with the group)					
8.8	Intra-organizational (within the organization)					

9. What is your opinion towards conflicts?

☐ Advantageous (functional) ☐ Both

☐ Disadvantageous (dysfunctional)

If other mention _____

_____

10. If your answer is dysfunctional for question number 9, which one do you think is the potential negative outcome of conflict?

☐ The distance between employees increased

☐ Resistance developed rather than team work

☐ An increase in an employee turnover

☐ The climate of mistrust and suspicion developed

Other opinion _____

_____

11. Are conflict resolution techniques effective in ESL'SC?

Yes ☐   No ☐

More opinion _____

_____

12. What techniques or mechanisms have been used to resolve conflicts frequently?

    Avoiding ☐   Smoothing ☐   Forcing ☐

    Problem solving ☐   Other _____

13. In what way does the management contribute in minimizing the occurrence of conflict between the workers?

☐ By giving appropriate information

☐ By giving on time information

☐ By making an open discussion and participating the workers on idea sharing

☐ By giving trainings

If there is another, please mention _____

_____

14. Most of the time who were responsible in handling the conflicts in ESL'SC?

☐ The management

☐ The commete being organized

☐ The labour union

☐ By the conflciting parties

If there is another please mention_____

_____

15. How do you think conflict resolution is considered in ESL'SC ?

☐ By no menas conflcit is seen as role of management

☐ Accepted as vital role of management on paper but not exercised.

☐ Accepted as vital role of management and exercised effectively.

☐ Accepted as vital role of management but exercised in effectively.

If there is another please mention_____

_____

16. How do you express the general conflict practice in ESL'SC?
    - ☐ It is something that needs reform in order to contribute for the corporation's goal acheivement
    - ☐ The corporation must continue in the existing mode of conflict practices.
    - ☐ Before taking any transformation measure, the conflict management practices must be studied thoroughly
    - ☐ It is difficult to express as to what measure will be taken
      Any other opinion _____
      _____

17. If conflict resolution is not accepted as vital role of management how do you see its impact on achievement of the corporation's developmental and profit oriented goals?
    - ☐ It wil not have any negative consequence on ESL'Sc acheivment
    - ☐ It will affect the whole employee relation which leads to less performance and less developmetn of the organization.
    - ☐ It is difficult to explain its impact on organizations achievement
    - ☐ None

18. Which one is real in ESL'SC as an outcome of conflict?
    - ☐ Conflcit encoruages people
    - ☐ Conflcit encourages better decision making
    - ☐ Increases employees turn over
    - ☐ Cofnlcit is an eductional experience
    - ☐ Any other opion

19. If you have any additional information on conflict management of your organization would you explain _____
    _____

Appendix: B

ST. MARY'S UNIVERSITY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT

Interviewees with Management of Ethiopian Shipping Lines S.C

1. Do you think conflict exists in ESL'SC?
2. What are the frequently conflicts in the organization?
3. Which techniques do you use in resolving the conflicts?
4. Do you believe the existing conflict resolution techniques are effective enough? What are the major weaknesses of the techniques?
5. Do you think managing conflicts in the organization has contributed to its development?

DECLARATION

I, the undersigned, declare that this senior essay is my original work, prepared under the guidance of Ato Abera Legesse. All sources of materials used to the manuscript have been dully acknowledged.

Name: ___RUTH ARAYA_____

Signature: _____

Place of Submission:__St. Mary's University College__

Date of Submission: _____

THE ADVISOR'S DECLARATION

This senior essay has been submitted for examination with my approval as an advisor.

Name: _____

Signature: _____

Date:_____